United States Senate

May 11, 2021

The Honorable Katherine Tai United States Trade Representative Executive Office of the President 600 17th Street, NW Washington, D.C. 20508 The Honorable Gina M. Raimondo Secretary U.S. Department of Commerce 1401 Constitution Avenue, NW Washington, D.C. 20230

Dear Ambassador Tai and Secretary Raimondo,

We write to ask that you work to permanently eliminate the unnecessary and damaging tariffs on imported and exported wine that are harming U.S. vintners.

As you know, U.S. wine currently faces a 54% retaliatory tariff in China that in 2019 alone decreased U.S. exports by 34% to a market that was quickly growing. Vintners that were shipping pallets worth of wine are now only shipping cases, or none at all, as Chinese consumers turn to wine from other countries.

In addition, imported wine from the EU faces a 25% tariff when entering the U.S. market. While these tariffs are currently suspended pending negotiations, they have increased costs for wine distribution in the United States, harming U.S. companies as well as European ones and especially straining small wineries that have limited capacity to supply the vast U.S. market. It is critical that the Boeing-Airbus dispute is resolved before the current tariff suspensions end. If they are not, we fear that U.S. wines may be subject to new, damaging tariffs when entering the EU.

Wineries in our states are already under siege by the pandemic, wildfires, and now drought. Many will not survive if they are also asked to indefinitely sustain a damaging trade war. Thank you for your support of this critical industry, and we look forward to working with you to support free and fair trade.

Sincerely,

Dianne Feinstein

United States Senator

Jeffrey A. Merkley United States Senator

Alex Padilla

United States Senator